

Finding Identity and Forgiveness

SMC's own OD Story

September 2010

SMC knows the benefits of OD first-hand. Just over 10 years ago, SMC was in crisis. Relations with members were deteriorating; we were in conflict with the Swedish Council of Churches (SCC); internally we were deeply divided and stressed. Added to that Sida was increasingly aware of our management problems and was drastically cutting our funding. Our very existence was under threat. Yet key leadership changes coupled with a participatory and prayerful OD process enabled us to rediscover our identity and role. We were able to reconcile internal issues and transform our relationships with our members, with SCC and with Sida. But it was an incredibly painful process. We were forced to face our failures. As one staff member said: 'I still go back to that as one of the greatest experiences of my life. It was not at all pleasant, but it was very, very healthy'. We share our story, not to say we got everything right, but as a testimony that with God's help and leadership commitment remarkable organisational change is possible...

Dark Days

The Swedish Mission Council, SMC, was founded in 1912 to be a forum for reflection on international solidarity for churches and Christian agencies. In 1980 we had taken on the role of channelling Sida funding to our members to implement international development work. But by the late 1990s things were bleak and dark at SMC. We were in conflict with the Christian Council of Sweden (CCS), with our members, with Sida and also amongst ourselves. Things were at crisis point.

SMC was closely related to the Christian Council of Sweden. We had an agreement of cooperation that made the SMC a unit for mission in the Christian Council and made the General Secretary of the SMC director for the CCS unit for mission. We had the common intention to strive for a merger between the two councils. In the second part of the 1990's a confusion came up as to our respective roles. There were major differences as to who should be responsible for mission within Sweden. The situation degenerated in 1997 and culminated when the General Secretary of the SMC publically attacked the Christian Council in a secular newspaper. After many attempts to solve the conflict in September 1997 the CCS board decided to cancel the agreement with the SMC and dismiss the General Secretary of the SMC from his role as director of the unit for mission in the Christian Council.

At the same time our relationships with our members were deteriorating. We were rightfully accused of being patronising. Mutual trust had broken down. Members were very hurt. Some questioned why they belonged at all and wanted to leave. They said: 'Why should we be here if we are not good enough?'

At the same time, Sida (our funder) was paying more attention to our performance. They did not like what they were finding. For many years we had been able to get funding for almost whatever we applied for. This meant we were not very rigorous. In 1998 Sida began to ask more questions and demand to see our accounts. They found a number of management problems: They said we did not keep proper records. There was no institutional memory. Much information remained in people's heads and other things were said. Sida was so appalled that they cut our funds by 50 million SEK (\$8m) to show how serious they were. Indeed they had wanted to cut much more.

Internally too we were deeply divided - between those more mission focused and those more development focused. Structurally there was a deputy General Secretary in charge of the development work. Physically even within the office we were split along two different corridors. In our attitudes there was a practical 'worker' wing with all the money and an 'intellectual wing' with all the questions. People were not sure who they should support. Trust had broken down. Staff were increasingly stressed..

As the board became more aware of the extent of these issues meetings became increasingly tense. Board members with strong opinions were less and less willing to accept on face value what the General Secretary was telling them. Some felt that the truth was being manipulated. With trust so low, it was clear that the General Secretary's position was no longer tenable.

A Change of Leadership

The board appointed a new General Secretary, with long experience as International Director of one of SMC's members as well as 10 years on the SMC board. He was well-known and respected with a deep commitment to SMC. He was a man of reconciliation - someone they hoped would bring healing to relationships. But soon after he was appointed, he realised the extent of the task he had taken on. He related: 'What I found was much worse than I had imagined... The next couple of years were 'the toughest time in my life. But also looking back, the best time of my life.'

In the first month things started well. The new leader was keen to start listening to staff. He said: 'I have to listen to be able to join the people'. The division in SMC was helped by removing the post of deputy General Secretary - a position that had created confusion in the past. This led to the departure of the previous incumbent creating opportunity for recruitment of new staff. SMC initiated new discussions with SCC in September 1999 with the aim of developing greater mutual understanding and healing relationships.

But after only one month in post, the auditors from Sida descended on SMC to undertake

an in-depth system audit. They intentionally chose SMC as the first of the frame organisations to assess. They wanted to rigorously check how well our systems managed Sida money. This was very unsettling. As one staff member related: 'We were suddenly faced with lots of tough questions. We were scared, because we were already unsure about our identity and purpose.'

Aggressive audit

The audit was highly critical of SMC, finding faults in nearly every aspect of the work. While many of the findings were valid and justified, others were not. The auditors failed to understand that SMC was not a wing of Sida. 'You have to decide what your members should do' they told us. They did not accept we were an umbrella body. They judged us by operational criteria. They concluded: 'If you do not show in 12 months time that you can handle this Sida subsidy, then you will be cut off.'

In December 1999 we looked through the audit in detail and came up with eight areas of responses. We managed to implement these within six months, leaving Sida with the favourable impression that 'SMC has opened a new page'.

But the board felt that this audit was only partial. They were not satisfied. It only looked at SMC's grant management systems and had not really understood who SMC was. Furthermore they felt the issues that SMC were facing were more deep-rooted than just systems issues. They were more to do with SMC's purpose and relationships.

We felt we needed to build on the process of exploring SMC's identity that had begun back in 1988. Ten years on, members were still asking us questions we could not answer. Some said we were too much of a development agency. Others said we were too mission-oriented. We could not answer them because we had not made up our own mind.

SMC had already some second-hand experience of OD. For the last three or four years we had been recommending it to our own members and partners to address issues of organisational change. Perhaps it would also work for us? At least we needed the integrity to try the medicine we were prescribing to others. So we decided to contract in consultants to facilitate an OD process for SMC ourselves.

OD Process

We approached two OD consultants, one from Europe and one from Africa, with the aim of helping us better understand our identity, purpose and role and how to respond to the challenges being raised by members. But we were apprehensive. It was hard to accept we had to go through this. It was a time of despair in SMC. No-one was happy. Everyone was burdened, scared and even depressed. Some people were burnt out by the uncertainty. People questioned: Where is this going to lead? We went ahead only because we realised that 'either we do it or we cease to exist'. The board's handling of the situation greatly supported the change process. They acted responsibly towards staff and

demonstrated clear ownership of the process. They also acknowledged in front of staff mistakes they had made in the period that led up to the difficult situation that had emerged.

A small working group from management developed the Terms of Reference with clear instructions from the board. The board wanted strong participation of members and the consultants themselves gave their professional ideas of what to include. These discussions opened our eyes to things we felt, but did not know. But they did not sugar-coat their words. They said to us clearly: 'Do not fool yourselves; this will take more than one year'. This was hard for the board to accept initially as we wanted quick action. But we eventually agreed and started what turned out to be 15-month process.

These two consultants proved to be 'a gift from God'. The African was a warm-hearted, OD facilitator, not only with a PhD from Sweden, but also with an inspiring faith that underpinned the process. The European also brought OD professionalism with a strong grasp of personal issues in any change process. The consultants played such a helpful and supportive to the leadership that they relate: 'They became our mothers. We felt safe. We felt by bringing them in they would find out the cause of our problems and give us the right medicine'. It helped that the consultants were independent of SMC, that people could not think they had previous loyalties to any particular party.

The two consultants undertook an extensive data gathering process from many different stakeholders. They took time to really listen and in 2000 visited almost all the organisations who were members of SMC. In addition, they made sure they kept Sida and CCS informed about the process, which did a lot to add credibility later on.

The core of the intervention was probably not the final report, but two workshops with staff and members in early 2001. These were pivotal moments in the change process. They used creative ways of developing understanding by getting people to draw pictures of SMC. Ten years on staff and board members still vividly recall the pictures of SMC as an octopus or as a troll in the darkness. These pictures sparked off intense and powerful discussions amongst staff and members – particularly about SMC's identity.

Clarifying Identity

The core content of the OD work was looking at our identity, our values and our role. These were long, sometimes heated discussions which eventually culminated in deciding that first and foremost SMC was a mission organisation that administered Sida funding, not the other way round. This worried many people. Would we lose our frame status? The board responded: 'It does not matter, we will still take the risk'. We agreed we were not a denomination, but an umbrella organisation to serve members. We confirmed that it was members who will implement, not SMC. We decided to simplify our membership from three types to one. Organisations could choose to be in or out, not just observing critically from the side. We decided to become more ecumenical and invite membership from all Christian backgrounds, not only churches. All these decisions felt very risky with the potential to go badly wrong.

There were some surprises and encouragements amidst these discussions. When the consultants presented the problems and weaknesses of SMC to our members, they said: 'Yes what you say is true, but you must also know how much we need SMC.' This trust was unexpected. It gave us new energy. We thought we had lost their trust and it would take years to rebuild, but it was there.

Yet the most memorable element of the whole change process was the symbolic process of letting go of our failures and resentments. A spontaneous forgiveness ceremony was the turning point.

Ceremony for Letting Go

At a meeting of staff out of the office in the Old Town of Stockholm, a pastor spoke to us of God as the God of reconciliation. He reminded us that we have to bring problems into the light to move forward. He said, you cannot be healed from something which you cannot acknowledge. We have to confess to let go.

After he finished speaking we sat in a circle and reflected for some minutes. Then the General Secretary suggested we write down on a piece of paper all our frustrations and sorrows. Things we wanted to leave behind. We put our papers into a basket. You could feel something happening in the room. We lifted up the basket and prayed asking God for forgiveness, asking for his help as we continued and thanking God for taking us this far in the process. It was short, but intense ceremony. It felt like the old had gone, the new has come.

Immediately afterwards people did not say much, but later many said, 'This was the decisive moment. It was such a relief to be able to leave behind those things. The burden is now gone'.

Even recently arrived staff agreed: 'This was indeed the turn-around. It was only then that I felt that I was fully part of SMC. Together with my older colleagues we had all started at the new SMC on the same day!'

Outcomes of OD

This OD process led to some considerable changes in SMC and in our relationships:

There was a new spirit in the office. Everyone was up for change. Since that time, whenever we heard criticisms of the previous leadership or the old situation we remembered they had been dealt with and we moved on. No-one tried to raise the old questions again. It did not mean that the subject was taboo. Indeed staff often felt the need to refer to our history. The difference was that now we could access our story, without it being a burden. We felt lighter. This sense of newness may have been helped by a physical move of offices too. As one board member says: 'There is something that gets into the walls'. In our work as well we became more integrated. The previous divisions between development and mission became much smaller. We all took a more

holistic perspective.

Our clearer identity and tighter rules for membership did not alienate members, rather the reverse. To our surprise the number of members increased. In just two years we went from 17 to more than 30 members. We also became more ecumenical with members from the Orthodox Church and mission organisations joining us. Even the quality of our relationships improved. Our members said: 'Previously we were here just to obey SMC. Now it is the other way round. We created you, not you us. We wanted SMC as our meeting place, 50 years before Sida was created.' We realised that if we were going to be effective we had to have more living relationships with our members. So we set up a system for regular face-to-face visits. Our clearer identity also helped us in our relationship with the Christian Council of Sweden. It was not a matter of trying to merge these two organisations as we tried in 1994, but of choosing to walk more closely together. The joint annual meetings we share are an illustration of this.

All this gave us greater confidence in our dealings with Sida. We realised that although we received most of our funds from Sida, this did not determine our identity. We now knew that even if there was not Sida money we would still function. This meant we no longer accepted the patronising attitude of Sida. We clearly told the Sida auditors that we are not a unit of Sida. We are not a clone or merely there to implement Sida orders. No, we are different. We are a Mission Council serving Churches and Christian organisations.

This first-hand experience of OD led to us giving OD greater focus in our work with members and partners. As a consequence, SMC became a resource for Sida in OD. We provided funding support to our members and partners in OD. Our own OD process meant such a lot to us we developed materials such as our 'OD Booklet' and 'Creating Space for Grace'. Mirroring our approach to development we integrated a spiritual dimension in our support for OD. Ten years on as a direct consequence of that process, SMC continues to lead knowledge development and learning in the practice of OD with Christian organisations.

Although the main people in the story have all since left SMC, this experience has been instrumental in making SMC the organisation it is today. It explains why we are so committed to supporting OD, but it also explains our realism. As one ex-staff member says: 'It made me more humble. I know what kind of agony OD involves. I am less optimistic about OD as a quick fix, but if you are prepared for blood, sweat and tears, I am convinced of its value to long term developmental change.'

What did this teach us about OD?

We learnt that organisational identity is core part of OD. It is essential to know who we are and why we exist. We think this may be particularly important for membership organisations with a multiplicity of roles, especially those who also channel funding to members.

We know that relationships are at the core of change. 'If there are not good relations you

can forget change'. In OD you often need to deal with relationships, most frequently the relationships with the leadership. But we also learnt that OD involves changes in relationships between organisations. Our OD required us to relate differently with our members, with SCC and with our funder.

We are painfully aware how unpleasant an OD process can be. 'We had to fight with ourselves the whole time to force ourselves to hear honest criticism. Taking a hard look at ourselves, was deeply depressing. It was agony. We felt we were useless. At times it was a real challenge to find the energy to continue.' You cannot avoid honesty in change. There are things that need bringing into the light. This was not easy to do in a clear and sensitive way.

We learnt a secret of change - that letting go and forgiveness are essential. They are invariably found at the turning point of change. Sometimes you have to forget the past, bury it in a symbolic way in order to restart (but not in a way that denies the good things from your history).

Another critical factor is leadership support. In SMC's story leadership drove the whole process. This was not one single individual, but leadership distributed amongst board and staff. The board members were always present in some form. Staff knew the board was following the process very closely. The Board chair was particularly supportive and positive. She embodied a spirit of renewal. Key staff were also providing both technical leadership and invaluable laughter in the process.

The change process was also undoubtedly helped by the departure of some of the old guard. We should not underestimate how change of key posts creates opportunity and emotional space for change. A change of leader creates good opportunity for effective OD. As new leadership behaviour is often a prerequisite for fundamental change, many leaders find such personal change too threatening. A change of leader is sometimes needed in OD.

We learnt the value of professional OD facilitation that also integrated faith. They were professional in not compromising on the time needed (simply to secure their contract). They did not make unrealistic promises to keep us happy. They kept key stakeholders informed. They earned our trust. They gave us deadlines and kept our energies up for change when we felt low. They used creative, pictorial methods for bringing highly sensitive issues to the surface.

But they also brought a spiritual dimension. As one staff member relates: 'The consultants made time for us to pray. They encouraged us to ask for guidance from the Holy Spirit and to look for God's hand in the process. They told us this over and over and over again. I can now see how unwilling I was. I was concerned with matters of efficiency. Later on it became clear. Today I can see how right she was. Without the Holy Spirit it would have gone nowhere. This was the decisive thing.'

We found that change is also a spiritual struggle. We were intentional about our

spirituality. Both the board and the General Secretary provided spiritual leadership. Our faith brought us hope in midst of the depressing moments, when we felt so useless it could have killed us; when we were crawling along the floor. In such dark times, God really did bring us a sense of hope - a realisation we were a small part of his bigger plan. 'If you consider the work as God's work, then you realise you cannot solve problems without God's help. The spiritual dimension was a critical component in our OD.' Having the courage and faith to find identity and forgiveness with God's help is our secret to change.

Based on Interviews with former staff and board members

SMC is an association of 36 Swedish denominations and Christian organisations. It is a forum for reflection on international solidarity. It also channels Sida funding to its members to implement international development work

Sida is the government department in Sweden involved in development cooperation to reduce poverty in the world.

CCS is an open ecumenical forum for churches in Sweden. It was founded in 1992 and has today 28 member churches from the Free Church family, the Catholic Church family, the Lutheran Church family and the Orthodox Church family.

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